

# Washington State Auditor's Office

## Audit Report

---

### Wahkiakum Conservation District Wahkiakum County

Audit Period  
January 1, 1993 through December 31, 1997

Report No. 60051

Issue Date  
**April 30, 1999**



Washington \_\_\_\_\_  
***State Auditor***  
\_\_\_\_\_  
Brian Sonntag

# Audit Summary

## **Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997**

### ***ABOUT THE AUDIT***

This report contains the results of our annual independent audit of the Wahkiakum Conservation District for the period January 1, 1993, through December 31, 1997.

Our work focused on determining whether the District complied with state laws and regulations and its own policies and procedures. We audited the financial statements. The internal controls established by the District's management were reviewed and evaluated. We performed audit procedures on specific areas that have potential for abuse and misuse of public resources.

### ***RESULTS***

Wahkiakum Conservation District complied with state laws and regulations and its own policies and procedures in the areas we examined. The financial statements are accurate and complete.

# Table of Contents

**Wahkiakum Conservation District  
Wahkiakum County  
January 1, 1993 through December 31, 1997**

Description of the District .....	1
Audit Areas Examined .....	2
Audit Overview .....	3
Independent Auditor's Report on Compliance with State Laws and Regulations .....	4
Independent Auditor's Report on Financial Statements .....	5
Financial Statements .....	7

# Description of the District

## **Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997**

### ***ABOUT THE DISTRICT***

The Wahkiakum Conservation District was established in 1940 and is supported primarily by a combination of grants from the Washington Conservation Commission. The District provides conservation education to the general public and administers various nature preservation projects. A Board of Supervisors consisting of two appointed and three elected members administers the District. The Washington Conservation Commission appoints two board members, and the landowners within the District boundaries elect the other three members. Each board member serves a three-year term. The Board of Supervisors appoints a District Coordinator to direct the day-to-day operations of the District. The District operates on an annual budget of approximately \$130,000 and has six employees.

### ***APPOINTED/ELECTED OFFICIALS***

These members of the Wahkiakum Conservation District served during the audit period:

Board of Supervisors:

Bob Larson  
Paul Glessner  
Ed Stornetta  
Joe Florek  
Phillip Vik  
Tony Reiger  
Cynda Webb  
Cynthia Cook-Lahti  
Colleen Haley  
Mary Lou Riley

### ***ADDRESS***

Location

957 Steamboat Slough Road  
Skamokawa, WA 98647

Mailing Address

PO Box 67  
Cathlamet, WA 98612-0067

# Audit Areas Examined

## Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997

In keeping with general auditing practices, we do not examine every portion of the District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

### **LEGAL COMPLIANCE**

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Authorization and validity of expenditures
- Open Public Meetings Act
- Ethics/conflict of interest laws and policies
- Approved investments

### **INTERNAL CONTROL**

We evaluated the following areas of the District's internal control structure:

- Cash receipting
- Cash disbursements
- Payroll
- Financial reporting

### **FINANCIAL AREAS**

In addition to the financial-related work listed in other categories, we audited the following areas:

- Overall presentation of the financial statements
- Cash and investments for existence and fairness of presentation
- The District's ability to continue as a municipal entity
- Revenues and expenditures

# Audit Overview

## **Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997**

### ***AUDIT HISTORY***

Typically we audit the Wahkiakum Conservation District every three years. However we included 1996 and 1997 in this audit due to the timing of our visit. The past audit of the District did not contain any findings.

### ***CONCLUSIONS***

In the areas examined, we found the District complied with state laws and regulations and its own policies and procedures. We also found the District's financial statements were accurate and complete. We discussed a number of audit recommendations with management and will follow up on these areas during the next audit.

We spent a considerable amount of time reviewing District expenditures, and we found the District had a system for review and approval of expenditures. We would encourage the District to continue the involvement of the Board of Supervisors in the day-to-day operations of the District.

We appreciate the assistance and cooperation received from District staff and look forward to working with them in the future.

# Independent Auditor's Report on Compliance with State Laws and Regulations

## Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997

Chair of the Board  
Wahkiakum Conservation District  
Skamokawa, Washington

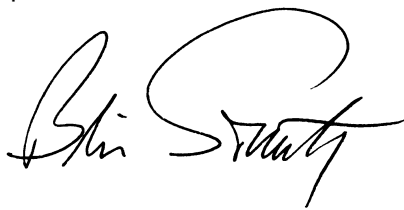
We have audited the financial statements of the Wahkiakum Conservation District, Wahkiakum County, Washington, as of and for the years ended December 31, 1997, 1996, 1995, 1994 and 1993, and have issued our report thereon dated October 1, 1998.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the District complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the District's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the District and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the District complied, in all material respects, with the applicable laws and regulations referred to in the preceding paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management and the Chair of the Board and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

October 1, 1998

# Independent Auditor's Report on Financial Statements

## **Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997**

Chair of the Board  
Wahkiakum Conservation District  
Skamokawa, Washington

We have audited the accompanying statements of Fund Resources and Uses Arising from Cash Transactions of the various funds of the Wahkiakum Conservation District, Wahkiakum County, Washington, for the years ended December 31, 1997, 1996, 1995, 1994 and 1993. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

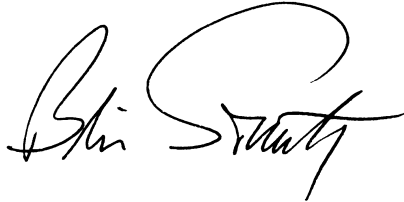
As described in Note 1B to the financial statements, the District prepares its financial statements on the cash basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the recognized revenues and expenditures of the funds of the Wahkiakum Conservation District for the years ended December 31, 1997, 1996, 1995, 1994 and 1993, on the cash basis of accounting described in Note 1B.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of State Financial Assistance are also presented for purposes of additional



analysis. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with a large loop at the end of the last name.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

October 1, 1998

# Financial Statements

## **Wahkiakum Conservation District Wahkiakum County January 1, 1993 through December 31, 1997**

### ***FINANCIAL STATEMENTS***

Resources and Uses Arising from Cash Transactions – 1997  
Resources and Uses Arising from Cash Transactions – 1996  
Resources and Uses Arising from Cash Transactions – 1995  
Resources and Uses Arising from Cash Transactions – 1994  
Resources and Uses Arising from Cash Transactions – 1993  
Notes to the Financial Statements – 1997, 1996, 1995, 1994 and 1993

### ***ADDITIONAL INFORMATION***

Schedule of State Financial Assistance – 1997  
Schedule of State Financial Assistance – 1996  
Schedule of State Financial Assistance – 1995  
Schedule of State Financial Assistance – 1994  
Schedule of State Financial Assistance – 1993